Losses in seed producing institutions

†5421. SHRI RAM JETHMALANI: Will the Minister of AGRICULTURE be pleased to state:

(a) whether it is a fact that the public sector seed producing institutions in the country have been continuously running in losses;

(b) if so, the total losses suffered by these Public Sector institutions from 1998-99 to 2000-2001; and

(c) the reasons for these losses?

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI HUKUMDEO NARAYAN YADAV): (a) and (b) Of the two Public Sector Undertakings engaged in seed production under the Central Government, State Farms Corporation of India (SFCI) has incurred a loss of Rs. 52.28 crores from 1998-99 to 2000-2001 whereas National Seeds Corporation (NSC) has incurred a loss of Rs. 4.83 crores during 2000-01.

(c) The main reasons for losses have been reduction in turnover due to heavy rains/drought conditions and lack of irrigation facilities, increase in salary and wages of employees on revision of pay scales, interest on loans etc.

Phasing out of Vintage Allowance

5422. SHRI GHULAM NABI AZAD: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether the Union Government has decided to phase out 5 per cent Vintage Allowance Scheme for fertilizer units with the 7th Pricing Period;

(b) if so, whether the Group of Ministers constituted for the purpose reviewing the 7th and 8th Pricing Period in their recent meeting considered to withdraw Vintage Allowance for the 7th Pricing Period;

(c) if so, to what extent this decision would help the fertilizer units; and

(d) whether the fertilizer companies have welcomed this move?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SATYA BRATA MOOKHERJEE): (a) to (d)

†Original notice of the question was received in Hindi.

Vintage Allowance of 5% each both in respect of capacity utilization norm and consumption norm for urea units that had been in operation for ten years or more, was introduced during the 5th Pricing Period *w.e.f* 1.4.1988 as one of the pricing parameters within the overall framework of the Retention Price Scheme. The policy parameters/norms including vintage allowance for the 5th Pricing Period were continued for the 6th Pricing Period *i.e.* upto 30.6.1997. A Group of Ministers (GoM) has been constituted to look into the various aspects of the urea pricing including vintage allowance. GoM has taken note of the response/suggestions of the fertilizer industry also in this regard. Final policy parameters norms for 7th and 8th Pricing Periods would be announced after approval of the competent authority.

FDI in domestic pharma sector

5423. SHRI GHULAM NABI AZAD:
DR. T. SUBBARAMI REDDY:
SHRIMATI AMBIKA SONI:

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether the new drug policy provides for 100 per cent Foreign Direct Investment in the domestic pharma sector;

(b) if so, whether this limit was raised from 51 per cent to 74 per cent in March, 2000;

(c) if so, the reasons for increasing the same to 100 per cent; and

(d) by when this drug policy would be announced?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SATYA BRATA MOOKHERJEE): (a) to (d) The Pharmaceutical Policy — 2002, announced in February 2002, provides that foreign investment upto 100% will be permitted, subject to stipulations laid down from time to time in the Industrial Policy, through the automatic route in the case of all bulk drugs cleared by Drug Controller General (India), all their intermediates and formulations except in the case of bulk drugs produced by the use of recombinant DNA technology, bulk drugs requiring in-vivo use of nucleic acids as the active principles and specific cell/tissue targeted formulations. This has been done with a view to further